

OFFICE OF  
INSURANCE COMMISSIONER

## TECHNICAL ASSISTANCE ADVISORY

T 02-03

**TO:** All Life Insurers

**SUBJECT:** Term Life Products

**DATE:** May 1, 2002

It has come to our attention that some level premium term life products that convert automatically to attained age rated plans at the end of the term have been approved by this office without age restrictions while other similar products have been specifically disapproved. This creates a competitive disadvantage for those companies that had similar products disapproved.

To remedy this situation, this office will accept filings for term life products on the basis that these policies continue into the attained age rated plan, subject to the following conditions:

- The period of level premium rates does not exceed thirty years.
- The age at conversion into the plan with premium rates based on attained age does not exceed eighty.
- For risks rated standard or better when the policy is issued, the attained age premium rates do not exceed 200% of the 1980 CSO mortality table rates.
- For risks rated standard or better when the policy is issued, policies that allow attained age premium rates in excess of 100% of the 1980 CSO mortality table rates shall state the risk class of the insured in tandem with the level premium period. For example, if the insured's risk class is "preferred nonsmoker" for a level premium twenty year term policy, all references in the policy to "preferred nonsmoker" shall include in substance the expression "for twenty years."

These standards will apply to form filings received on or after the issue date of this TAA and to any previously approved forms when subsequent changes are filed with this office.

For specific questions and answers and additional information, please contact the Rate & Forms Help Line at (360) 725-7111 or [RfhelpDesk@oic.wa.gov](mailto:RfhelpDesk@oic.wa.gov) or visit our website at: [www.insurance.wa.gov](http://www.insurance.wa.gov).